



Scott Moe Responses to CFIB's 2017 Leadership Candidate's Survey

1. **What is your plan to balance the budget and by when?**

My plan to stand with Saskatchewan starts with balanced budgets, as a member of cabinet and treasury board, I was a strong proponent of our government's three-year plan to balance the budget. My team is committed to this target to ensure we do not unload the spending of government on future generations or future startups.

My team will not put growth opportunities at risk in our province's economy like other provinces that have no plan and will have deficits into the foreseeable future.

2. **Will you commit to further reduce the size/cost of Executive government, Crown Corporations and non front-line components of Third Party entities (e.g. through workforce attrition)?**

I have committed to introduce a 5% workforce reduction in Executive Government and the Crown Corporations through retirement and attrition as part of my plan to balance the budget. It is vitally important for our future that keep our government's customer service strong while keeping Saskatchewan's finances strong.

We have the lowest debt per capita in the country and the second lowest debt to GDP in the country. With strong finances we will have the capacity to continue our investment in infrastructure that supports the growth of the Province and secures a better quality of life for Saskatchewan people.

3. **Will you commit to narrow the wages/benefits disparity (20.4%) between Saskatchewan public and private sector employees?**

In order to show our commitment to public service we decided to cut our own pay and that of political staff by 3.5%. If we make changes, there are subsequent financial implications. We would ensure we look at ways to offset any proposals that have financial impacts to ensure we stay on track on a three-year plan to balance.

4. **Will you commit to eliminate the banking of sick days in the public sector and introduce affordable short-term disability plans for public sector workers to better align sick leave provisions with those of the private sector?**

The creation of a short-term disability plan has financial implications that would need to be costed before I could realistically make a commitment. Likewise, the elimination of banked sick days needs to be bargained in collective agreements Government employers have with their employees.

It's also important to note that Saskatchewan Government employees do not receive a cash payout for accrued sick time upon resignation or retirement.

5. **What is your plan to further reduce red tape for small business?**

Growing up on a grain farm and being involved in the Ag equipment industry for many years has taught me valuable life lessons. I have started and owned several businesses and I have listened to many more business owners on the campaign trail about red tape.

I believe strongly that we need to get rid of the bad rules and make good rules easier to understand in order to make it easier for business owners to do what needs to be done. We need a government that assumes business owners are honest, and intelligent – not the opposite. Government regulation needs to reflect this principle by cutting obsolete regulations, and pointless paperwork.

Part of the plan needs to involve rewarding results within government, not red tape. The government also needs to create partnerships with the expertise that already exists in many cases within small businesses and their industries.

6. **Will you commit to introduce a *Red Tape Web-Portal* (which would be a permanent website where businesses could submit their red tape questions & concerns on an ongoing basis)?**

As someone who has started and owned several businesses, there is almost nothing more frustrating than getting the runaround. Sometimes government measures the success of a regulation from its own perspective, but does not measure its impact on the customer. That's why my team will focus on implementing customer service best practices throughout the public service – the same standards that businesses use to compete. That being said, my team will commit to a Red Tape Web-Portal where questions and concerns are submitted and *responded to* on an ongoing basis.

7. **Will you commit to reinstate the commission paid to businesses for the collection and remittance of the Provincial Sales Tax (PST)?**

I respect the amount of time businesses take preparing their taxes and remitting them. As part of our tax structure is the cost of doing business in province that provides services. However, my team will be prepared to consider a revenue threshold similar to the GST for collecting and remitting after consultations with stakeholders.

8. Will you commit to remove the PST from insurance premiums?

I am committed to reinstate the PST exemption on crop, life, accident and health insurance. My campaign also provided a framework on how we will recover the revenues lost through reinstating these PST exemptions.

Under my previously announced framework \$70 million would have been recovered by introducing a 5% workforce reduction in Executive Government and Crown Corporations through retirement and attrition and \$50.5 million would be saved by delaying the 0.5% corporate income tax (CIT) reduction. Since the Government of Saskatchewan announced the CIT will be increased back to 12% on January 1, 2018 and the small business deduction will be increased from \$500,000 to \$600,000, my framework has been modified to reinstate these exemptions retroactively to August 1, 2017 at a cost of \$16 million.

Under the new framework, the \$16 million retroactive cost will be recovered by the already announced CIT rate increase, which will increase government revenue this fiscal year and subsequent years.

9. Within the context of a balanced budget, will you commit to introduce a plan to reduce Saskatchewan's small business corporate income tax rate on the first \$600,000 of business income from 2% to 0%?

My team is willing to consider the competitiveness of our tax structure throughout our budget development process. We need to consider the entire context for businesses wanting to grow and succeed, for instance, Manitoba has a payroll tax over 2% and we do not. In this context I feel Saskatchewan has a competitive business environment right now with a government that can pay for the services it provides rather than pushing debt and deficits on to the next generation.

10. Within the context of a balanced budget, will you commit to reduce the PST?

The government needs to consider tax competitiveness in general when the budget is balanced. Under my team's plan, we will review the tax structure throughout our budget development process. The recent budget had a decrease in personal income taxes that will improve Saskatchewan's competitiveness while having the lowest sales tax rate of the provinces that have a sales tax. My team will consult with stakeholders on whether this is a direction the government should continue when the budget is balanced.

11. Do you support increased taxation powers to municipalities (e.g. fuel, income or sales taxes)?

Municipalities need to raise the revenue for services they provide and they have different models at their disposal to achieve that objective. Our government committed to deliver municipalities 1 percentage point of the PST revenue for the past 10 years. My team will not allow increased taxation powers for municipalities but we will need to rework revenue sharing with municipalities to ensure they are spending their money efficiently and effectively. That means working together on procurement, shared services, and partnerships among municipalities.

12. Do you support increasing Saskatchewan's minimum wage from \$10.96 to \$15.00 per hour?

As a business owner, I know business owners need to pay their employees competitively and need to pay their employees before they pay themselves. The minimum wage should not be an ideological campaign promise, like the \$15 minimum wage, because it impacts the competitiveness of the entire payroll. If it was such a great idea without consequence, why not make it \$20 or \$50?

Business owners need and deserve predictability in their payroll to provide security in their payroll decisions. That's why my team will index the minimum wage rate using changes in the Consumer Price Index (CPI).

13. Will you introduce measures to mitigate the impact of Saskatchewan's annually indexed minimum wage (e.g. training wage and/or a gratuity wage for workers who earn tips)?

My team will continue to have a minimum wage board that meets on an ongoing basis and reports to the Government with recommendations to the minimum wage.